

IN THE CIRCUIT COURT FOR THE THIRD JUDICIAL DISTRICT

MADISON COUNTY, ILLINOIS

FILED

SEP 14 1989

PEOPLE OF THE STATE OF ILLINOIS,)
)
Plaintiff,)
)
-v-)
)
NATIONAL STEEL CORPORATION,)
a Delaware corporation,)
)
Defendant.)

CLERK OF CIRCUIT COURT
THIRD JUDICIAL CIRCUIT
MADISON COUNTY, ILLINOIS

No. 87-CH-267

EPA Region 5 Records Ctr.



321353

STIPULATION AND SETTLEMENT AGREEMENT

Plaintiff, the People of the State of Illinois, by its attorney, Neil F. Hartigan, Attorney General of the State of Illinois, and the defendant, National Steel Corporation, believing that litigation of this matter would be neither in their best interest nor in the best interest of the public, hereby enter into this stipulation and settlement agreement in order to resolve this case.

STIPULATION OF FACTS

1. On September 21, 1987, the plaintiff filed a three-count complaint in the Circuit Court for the Third Judicial District, Madison County, Illinois.

2. The parties agree that the Circuit Court for the Third Judicial District, Madison County, Illinois, has jurisdiction of the parties and subject matter in this case.

3. At all times relevant to this case, defendant National Steel Corporation (hereinafter "the defendant") has owned and operated a steel manufacturing facility, commonly known as the Granite City Division of the National Steel Corporation, or "Granite City Steel" (hereinafter "the facility"), located at 20th and State Streets, Granite City, Madison County, Illinois.

4. At all times relevant to this case, the defendant has operated two "new solid waste management sites" at the facility.

5. The defendant operated the oldest of the two solid waste management sites (hereinafter "Site A") from at least some time in 1982 known only to the defendant until sometime prior to the date the plaintiff filed its complaint in this case.

6. Construction to develop the second solid waste management site (hereinafter "Site B") began at some time in 1985 known only to the defendant. As of the date the plaintiff filed its complaint in this case, the defendant had completed its development of Site B, and the defendant was conducting waste disposal operations at Site B.

7. The defendant has used both Sites A and B for the disposal of various wastes generated at the facility from the defendant's steel manufacturing processes. Wastes which the defendant has disposed at both Sites A and B include dusts from

blast furnaces, general refuse, demolition debris, and various sludges from steel works and blast furnaces.

8. Plaintiff's complaint alleges that defendant National Steel Corporation (hereinafter "the defendant") has violated certain sections of the Illinois Environmental Protection Act (hereinafter "the Act")(Ill. Rev. Stat. 1985, ch. 111 1/2, par. 1001, et seq.) and certain Pollution Control Board Solid Waste Disposal Regulations (35 Ill. Adm. Code, 1985, Part 807), by developing and operating two new solid waste management sites (i.e. sites A and B) at its Granite City, Illinois, facility.

9. Specifically, plaintiff's complaint alleges that the defendant has engaged in "open dumping" of waste, in violation of section 21(a) of the Act (Ill. Rev. Stat. 1985, ch. 111 1/2, par. 1021(a)), and has also developed and thereafter operated two solid waste management sites without first obtaining necessary permits from the Illinois Environmental Protection Agency (hereinafter "the Agency"), in violation of section 21(d) of the Act and 35 Ill. Adm. Code 807.202(a) and 807.201 (1985).

10. Defendant has not admitted any of the allegations made against it in plaintiff's complaint and has filed pleadings in opposition to plaintiff's complaint.

SETTLEMENT AGREEMENT

This settlement agreement has been achieved after extensive negotiations between the parties, and it is submitted

to the court in order to avoid the further burdens and expenses of litigation and to terminate the case on just and equitable terms without constituting any evidence or admission by either party with respect to any issue of law or fact. The parties believe that the public interest will be best served by resolution of this case on the terms and conditions set forth below. The parties, therefore, agree as follows:

1. This settlement agreement shall apply to and be binding upon the plaintiff and defendant, as well as the successors and assigns of the defendant and any employee, agent or servant of the defendant.

2. Since the filing of the complaint in this cause, the defendant has applied for and obtained an operating permit for the new solid waste management site referred to as "Site B" in plaintiff's September 21, 1987, complaint.

3. With respect to the waste situated in the solid waste management site designated as "Site A" in plaintiff's September 21, 1987, complaint, defendant shall either:

- (a) close the site pursuant to an Agency-approved closure plan and pursuant to all applicable provisions of 35 Ill. Adm. Code (1987), Subpars. E and F, Sections 807.501 through 807.666, or
- (b) exhume all of said waste from Site A and dispose of same in the permitted solid waste management

site referred to as Site B in plaintiff's September 21, 1987, complaint.

By July 15, 1989, the defendant shall notify plaintiff in writing of which option it chooses.

4. In the event defendant chooses Option 3(a) above, it shall submit to the plaintiff closure and post-closure care plans of Site A on or before August 1, 1989. The plaintiff shall approve or deny the plans by November 1, 1989. If the plaintiff approves the plans, defendant shall proceed to close "Site A" in accordance with the terms and conditions of the approved plans within 30 days of receiving notice of the plaintiff's final action on said plans. In the event the plaintiff does not approve the defendant's closure or post-closure care plans or approves plans in a form unacceptable to defendant, defendant may notify plaintiff in writing of its decision to proceed in accordance with option 3(b) within 30 days of receiving notice of the plaintiff's final action on said plan. If defendant does not choose to proceed with option 3(b), then defendant shall resubmit approvable closure and post-closure care plans for Site A by no later than January 1, 1990.

5. In the event the defendant chooses Option 3(b) above, defendant shall complete exhumation of Site A no later than 24 months from the date it notifies plaintiff of its decision to proceed with said option 3(b), and shall notify plaintiff in writing within 14 days of the date the exhumation

is completed. In the event defendant proceeds with Option 3(b) above, the defendant shall also initiate a one-year, post-exhumation groundwater monitoring program on or before 30 months from the date it notified plaintiff of its decision to proceed in accordance with Option 3(b). Such groundwater monitoring program shall consist of three wells located as indicated on Attachment I hereto and constructed in accordance with the monitoring well diagram set forth on Attachment II hereto. The program shall last for a minimum of one year, with quarterly monitoring of the constituents listed on Attachment III hereto. The Agency may require additional monitoring if any groundwater quality degradation is noted during the one-year monitoring program or if the one-year monitoring program produces any other evidence suggesting that the defendant's exhumation is not properly completed.

6. Regardless of the option chosen, the defendant grants the Agency the authority and permission to enter the facility at any reasonable time for the purpose of monitoring the defendant's compliance with this settlement agreement and to review any documents pertaining thereto.

7. The defendant shall pay to the People of the State of Illinois the total amount of eight thousand dollars (\$8,000). The check shall be made payable to the "State of Illinois, Environmental Protection Trust Fund" and is to be sent to the Office of the Attorney General, Environmental Control Division,

500 South Second Street, Springfield, Illinois 62706, within 30 days of the date of entry of this settlement agreement.

8. In addition, the defendant agrees to pay to the People of the State of Illinois a stipulated penalty in the amount of eight thousand dollars (\$8,000) which shall be payable to the Environmental Protection Trust Fund in the event and at the time that the defendant defaults on the payment described in paragraph 7. The defendant also agrees to pay a stipulated penalty in the amount of \$200 for each day the defendant fails to meet the deadlines set forth in Paragraphs 3, 4 and 5 above.

9. If an event occurs which would delay compliance with any of the deadlines set forth in Paragraphs 3, 4 and 5 above, and such event is caused by circumstances, or actions beyond the reasonable control of defendant, plaintiff may at the written request of defendant, extend any applicable date for compliance for a period no longer than warranted by the force majeure event and so inform the Court. Increased costs associated with implementing the measures required by this settlement agreement shall not excuse the defendant from a failure to comply with the provisions of this settlement.

10. If plaintiff denies defendant the relief sought pursuant to Paragraph 9 above, defendant may apply to the Court for such relief within 15 (fifteen) days of the receipt of such denial. The burden of proving that any event is caused by circumstances or actions beyond the reasonable control of

defendant shall rest with the defendant. Defendant's failure to apply to the court for such relief within 15 (fifteen) days of the receipt of such denial, shall result in defendant's waiver of its right to petition the court for such relief.

11. Written notice of any request by defendant for application of Paragraph 9 above shall be made to plaintiff within 15 (fifteen) days of the occurrence of the alleged force majeure event. Such request shall describe in as much detail as is feasible: the anticipated length of the delay, the precise cause or causes of the delay, and the measures taken by defendant to prevent or minimize any such delay. Defendant's failure to comply with the notice requirements of this paragraph shall render paragraphs 9 and 10 above void and of no effect as to the particular incident involved and shall constitute a waiver of defendant's right to request application of paragraphs 9 and 10 to such incident of delay.

12. The defendant also agrees to reimburse the People of the State of Illinois for any reasonable costs incurred by the plaintiff in a future circuit court action to recover from the defendant any of the payment provided for herein or to enforce any provision of this settlement agreement.

13. In consideration of the terms of this settlement agreement, the plaintiff agrees to dismiss this action, with prejudice, within 35 days following entry of this agreement.

14. The parties agree that this settlement agreement terminates all controversy between the parties with respect to the charges contained in plaintiff's September 21, 1987, complaint. The plaintiff hereby releases the defendant from all liabilities from all claims raised in the plaintiff's September 21, 1987, complaint and agrees that no further actions will be commenced against the defendant with respect to those charges.

15. In the event the defendant chooses Option 3(b), the plaintiff does not release the defendant from any liability for violations of any state, local, federal or common laws which arise from or which are discovered during the exhumation process. The plaintiff specifically reserves its right to enforce state, local, federal or common laws which might apply to the defendant's activities at the site during the exhumation process.

16. With respect to its future operation of the facility, the defendant agrees to comply with section 21 of the Act and Part 807 of the Pollution Control Board Regulations promulgated pursuant to the Act.

17. This settlement agreement shall in no way effect the liability of the defendant under any federal, state, local common laws or regulations, as such laws or regulations may apply to the future operation of the facility.

18. This settlement agreement represents the entire agreement between the parties, superseding all other previous

oral or written communications, representations, or agreements with respect to the operation of the facility.

19. The undersigned representatives for each party certify that they are fully authorized by the party whom they represent to enter into the terms and conditions of this stipulation and settlement agreement and to legally bind them to it.

IN WITNESS WHEREOF, the undersigned representatives of the parties hereto have executed this stipulation and settlement agreement to be executed on the date written below.

PEOPLE OF THE STATE OF ILLINOIS

By: NEIL F. HARTIGAN
ATTORNEY GENERAL

DATED: 8-29-89

By: Shawn W. Denney
SHAWN W. DENNEY
First Assistant Attorney
General

DATED: 8-10-89

BY: ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY

BY: Joseph S. Svoboda
JOSEPH SVOBODA
Manager, Enforcement Programs

DATED: 7/11/89

NATIONAL STEEL CORPORATION

BY: David A. Chatfield

*Stipulation and settlement
agreement hereby entered
and decreed.*

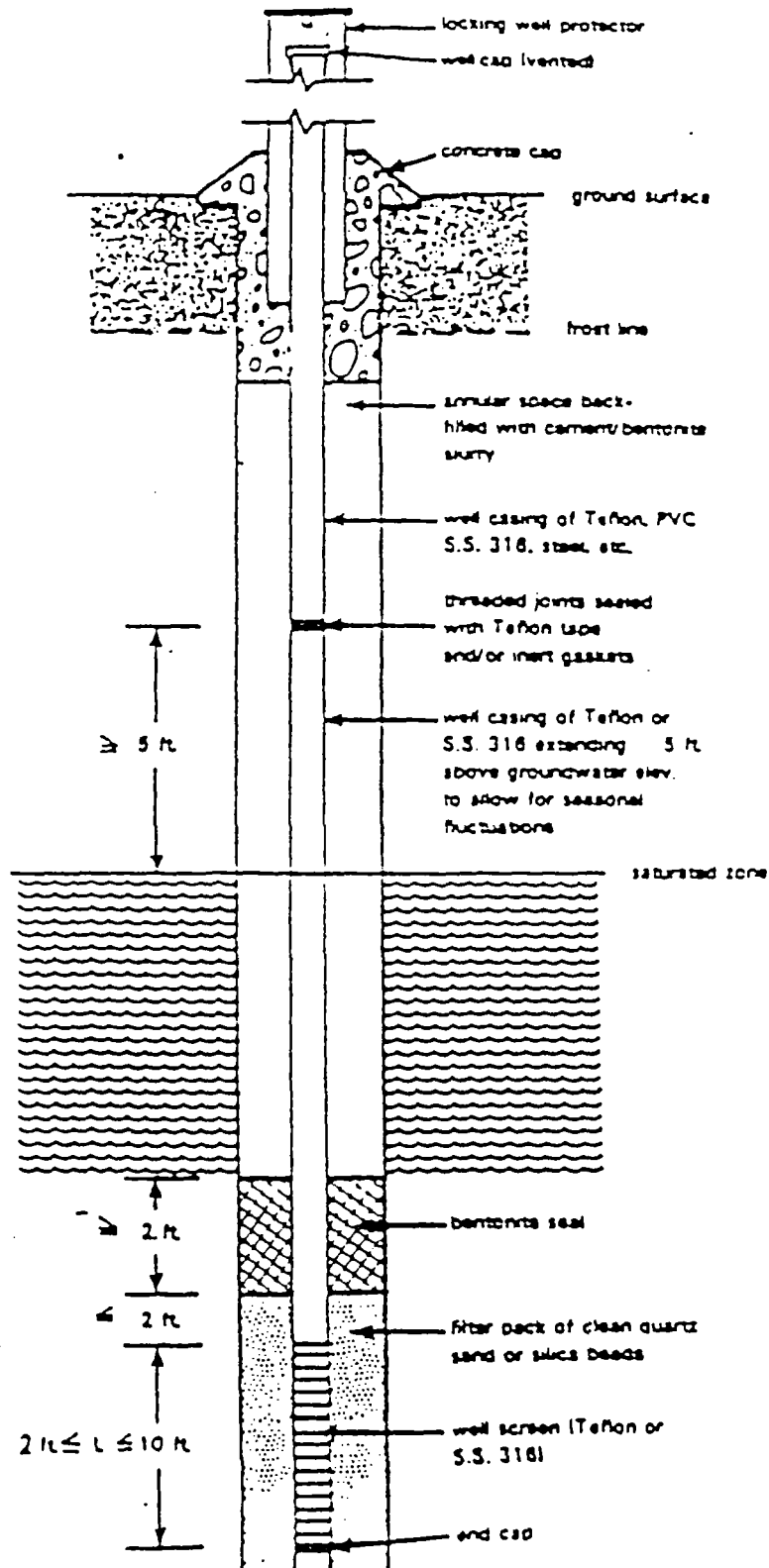
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Michael J. Meenan
JUDGE

Monitoring Well Diagram

State Permitted Facility



*PVC can be used if samples are for specific inorganic

ATTACHMENT III

Constituent

Temp. of Water Sample DEG F
(field measured, unfiltered)
Specific Conductance (SC) UMHOS
(field measured, unfiltered)
pH STD. UNITS (field measured, unfiltered)
Elevation of GW Surface FT. REF MSL
Depth to Water FT. BELOW LS
Well Depth Elevation, FT. REF MSL *
Depth to Water from Measuring Point Ft.
T Alkalinity, as CaCO₃ MG/L Lab
Total Organic Carbon (TOC) as C, MG/L
Chloride C₁, Diss MG/L
Sulfate SO₄, Diss MG/L
Residue on Evaporation (ROE) MG/L
(180 deg. C)
Ammonia (NH₃ + NH₄) as N; Diss MG/L
Cyanide CN, Total (unfiltered), MG/L
Phenols, Total (unfiltered), UG/L
Iron Fe, Diss UG/L
Lead Pb, Diss UG/L
Zinc An, Diss UG/L
Total Dissolved Solids TDS, MG/L
Total Organic Halogen TOX, UG/L